



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: February 19, 2019
FROM: CITY ATTORNEY WARDS: ALL
SUBJECT: OUTSIDE COUNSEL EXPENDITURE REPORT

ISSUE:

The issue for City Council consideration is the Outside Counsel Expenditure Report for the period of October 1, 2018 through December 31, 2018, as provided in the outside counsel policy approved by City Council on June 16, 2015.

RECOMMENDATIONS:

That the City Council receives and files the attached report.

BACKGROUND:

In the continuing effort of transparency and accountability, City Council approved the City Attorney's recommendation of quarterly reporting of the outside counsel expenditures. This report includes the current spending for the prior quarter and the cumulative spending from inception of the matter grouped by law firm name. All closed matters are highlighted and will not be included in the next report. It should be noted that bond counsel and contingency payments are not paid through the City's accounts payable division and therefore must be manually added to information derived from the City's accounting system. In the case of bond counsel payments, the payments are typically made directly by the bond trustee from bond proceeds. In the case of contingency payments, the payments are typically deducted from the funds received prior to deposit by the City.

FISCAL IMPACT:

There is no fiscal impact at this time.

Prepared by: Gary G. Geuss
City Attorney

Attachment: Outside Counsel Expenditure Report

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**OUTSIDE COUNSEL EXPENDITURE REPORT
THROUGH DECEMBER 31, 2018**

LAW FIRM	MATTER/CASE NAME	BRIEF DESCRIPTION			EXPENDITURES		BALANCE
			Funding Source	Authorized Spending Limit	10/1/18 - 12/31/18	TOTAL AS OF 12/31/18	
BAKER HOSTETLER							
	<i>Cyber Security Breach</i>	Prevention/Advice	510	20,000	-	2,375	17,625
	<i>Business Tax Security</i>	Prevention/Advice	630	4,000		1,838	2,162
Subtotal					-		
BUCHALTER	<i>SCE/CPC Application</i>	RTRP		90,240	29,464	29,464	60,776
Subtotal					29,464		
BEST BEST KRIEGER							
	<i>City HA v DOF</i>	*Note - HA allowance, costs split with several cities	280	37,388	-	37,534	(146)
	<i>General Advice</i>	Miscellaneous	101	25,000	-	14,987	10,013
	<i>General Advice</i>	RPU	101	13,000	-	5,918	7,082
	<i>RTRP/CPUC</i>	Advice	510	16,455	1,758	8,326	8,129
	<i>City v DOF</i>	Anticipated litigation	630	65,000	30,685	38,969	26,031
	<i>Riverwalk CSD Foreclosure</i>	Collection	101	10,000	774	2,645	7,355
Subtotal					33,217		
BLAISDELL, CHURCH & JOHNSON							
	<i>Bond Counsel*</i>	IPP Generation Plant	510	5,000	-	1,000	4,000
Subtotal					-		
CHAPMAN AND CUTLER							
	<i>Bond Counsel*</i>				-		

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COLANTUONO HIGHSMITH & WHATLEY							
	<i>General matters</i>	Prop 218 and conflicts advice	520	40,400	-	36,704	3,696
	<i>General Advice</i>	CAO	101	15,000	-	13,771	1,229
	<i>General/RPU**</i>	Electric & Water Cost Service Study	520	25,000	-	65	24,935
	<i>Parada, Summer v City</i>	UUT Claim Litigation	101	275,000	13,133	31,293	243,707
	<i>Parada II v City</i>	GFT Challenge/Litigation	101	162,500	26,382	29,502	132,998
	<i>Bailey, William R. v City***</i>	Litigation Initiated by Mayor	101	288,000	13,252	158,173	129,827
	<i>Clymer, R. Ben v City</i>	Challenge to Russo Contract	101	155,000	13,953	84,076	70,924
Subtotal					66,720		
CONSTANTINE CANNON							
	<i>State of California et al. ex rel. [Under Seal] v [Under Seal]</i>	Litigation re wireless cell service/contingency		-		-	-
Subtotal							
COTCHETT PITRE & McCARTHY							
	<i>Bond Derivative Litigation</i>	Contingency*					
Subtotal							
GIBBS GIDEN LOCHER TURNER SENET &							
	<i>High Light Electric v City**</i>	Construction project dispute	520	265,000	47,998	131,686	133,314
Subtotal					47,998		

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GREINES MARTIN STEIN & RICHLAND							
	<i>Clymer v City</i>	Challenge to Russo Contract	630	75,000	767	767	74,233
	<i>Corona, Amador v City</i>	Appellate advice	630	45,000	26,928	31,707	13,293
	<i>Easley, Michael v. City**</i>	Federal civil rights action	630	112,695	4,897	96,726	15,969
	<i>Brokaw, Dennis v City</i>	Appellate advice	630	3,500	-	2,233	1,267
	<i>Nichols, Raymond v City</i>	Federal civil rights action	630	66,962	1,567	58,636	8,326
Subtotal					34,159		
HAWKINS DELAFIELD & WOOD							
	<i>Bond Counsel*</i>						
JONES HALL							
	<i>Bond Counsel*</i>	SIFMA		40,000		-	40,000
	<i>Bond Counsel*</i>	Electric and Water Bonds 2018		45,000		-	45,000
	<i>Bond Counsel*</i>	2019 Electric & Water Bonds		90,000		-	90,000
Subtotal							
LEWIS BRISBOIS BISGAARD & SMITH							
	<i>Easley, Michael v City**</i>	Civil rights litigation	630	341,500	-	319,738	21,762
Subtotal							

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LIEBERT CASSIDY WHITMORE							
	<i>RPOA v City</i>	Labor	101	252,500	58	8,878	243,622
	<i>RFA/Fenske v City</i>	Employment/Labor	101	125,000	13,548	35,577	89,423
	<i>General Advice</i>	Misc	101	1,000	-	447	553
Subtotal					13,606		
MANNING & KASS							
	<i>Wells Fargo v. City -1 and 2**</i>	Civil penalties on Tax Rolls Validity	630	146,520	-	114,411	32,109
Subtotal							
MILLER AXLINE & SAWYER							
	<i>City v Black & Decker (U.S), Inc.</i>	Perchlorate litigation/contingency*				-	
OLSON HAGEL & FISHBURN							
	<i>Conflict of Interest Advice</i>	Misc.	510	10,000	639	9,763	237
Subtotal					639		
SMITH LAW OFFICES							
	<i>Amicone, Lorraine v City</i>	Employment Litigation	630	170,200	9,871	11,008	159,192
	<i>Clymer v City</i>	Challenge to Russo Contract	630	75,000	-	-	75,000
	<i>Louis, Jean-Louis v City</i>	Civil rights litigation	630	176,000	3,500	15,610	160,390
	<i>Nichols, Raymond v City</i>	Civil rights litigation (Federal)	630	81,956	-	37,771	44,185
	<i>Nichols, Raymond v City</i>	Civil rights litigation (State)	630	70,550	-	10,345	60,205
Subtotal					13,371		

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SOHAGI LAW GROUP							
	<i>Ag Park</i>	CEQA	101	8,750		2,975	5,775
Subtotal							
STRADLING YOCCA CARLSON & RAUTH							
	<i>Bond Counsel</i>	2006 Lease Revenue (Galleria)		55,000		-	55,000
	<i>Bond Counsel</i>	2018 Sewer Revenue Bonds		65,000		-	65,000
	<i>Bond Counsel</i>	RPU Line of Credit		55,000		-	55,000
	<i>Bond Counsel</i>	2019 Electric and Water Bonds		140,000		-	140,000
Subtotal							
THINK LEGAL360							
	<i>Harris, Bobby v. City</i>	Employment Litigation	630	270,000	49,631	138,645	131,355
Subtotal					49,631		
THOMPSON COBURN							
	<i>FERC**</i>	Regulatory	510	575,000	103,937	267,117	307,883
	<i>LADWP Transmission Agreements</i>	Potential Extension	510	25,000	-	-	25,000
Subtotal					103,937		
TOTAL					392,742		

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Note: Plaintiff's Case - Outside Counsel Retained for Recovery							
BURKE WILLIAMS SORENSEN							
	City v. Jurupa/Rubidoux CSD, et al.**	Recovering contribution obligation for RWQCP project	550	4,782,326	60,989	3,931,257	851,069

Please note:

- (1) Some totals may include costs
- (2) Items shaded in blue are closed
- (3)*Contingency bond counsel payments are per individual bond transactions or recovery received
- (4)**Change order issued/adjustment; amount increased for current FY
- (5)***Litigation initiated by Mayor